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Consumer Price Index, Boston-Cambridge-Newton — September 2018

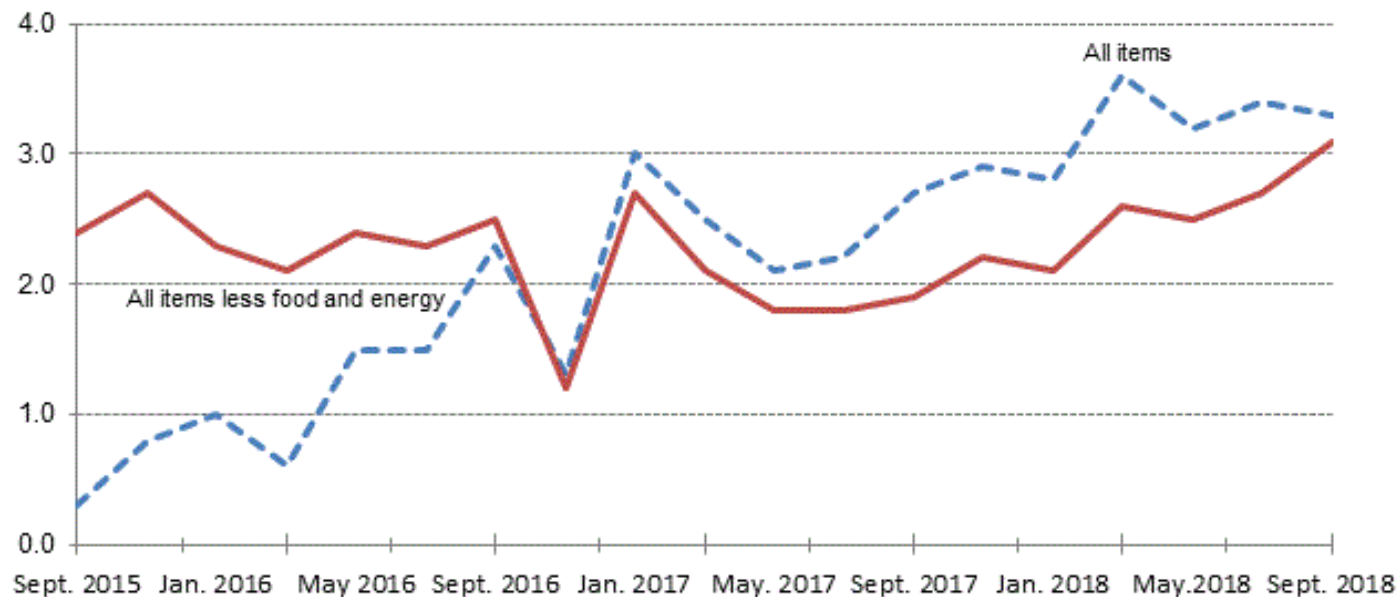
Area prices up 1.2 percent over two months; up 3.3 percent from a year ago

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Cambridge-Newton area increased 1.2 percent in September, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Deborah A. Brown noted that this was mainly attributable to higher prices within all items less food and energy, up 1.3 percent and to a much lesser extent higher food prices, up 0.9 percent. (Data in this report are not seasonally adjusted. Accordingly, bimonthly changes may reflect the impact of seasonal influences.)

Over the last 12 months, the Boston CPI-U rose 3.3 percent. The increase was largely attributable to higher prices within all items less food and energy up 3.1 percent and to a lesser extent higher energy prices paid by area consumers, up 6.2 percent. Higher food prices also contributed to the overall increase. (See [chart 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Boston-Cambridge-Newton, September 2015 - September 2018

Percent



Source: U.S. Bureau of Labor Statistics.

Food

Food prices edged up 0.9 percent since July, mainly due to higher food at home prices up 1.5 percent. Higher food at home prices were mainly driven by higher prices for fruits and vegetables; and other food at home prices, up 4.7 percent and 4.1 percent, respectively.

Food prices increased 2.7 percent over the year, mainly due to higher food at home prices, up 2.9 percent, and to a lesser extent, food away from home prices, up 2.3 percent.

Energy

The energy index increased 0.2 percent over the two months, mainly driven by higher electricity prices, up 1.4 percent which was partially offset by gasoline prices down 0.5 percent.

Energy prices were up 6.2 percent from a year ago, largely attributable to gasoline prices, up 7.2 percent and electricity prices, up 6.0 percent.

All items less food and energy

The index for all items less food and energy increased from July (+1.3 percent) mainly due to higher shelter costs, up 1.4 percent and higher apparel costs, up 18.6 percent. Within shelter, higher prices in owners' equivalent rent of residences and rent of primary residences, up 1.4 percent each, drove the increase.

Over the year, the index for all items less food and energy rose 3.1 percent, with higher shelter costs being the main driver of the increase, up 4.6 percent. Within shelter, higher costs for owners' equivalent rent of residences, up 4.9 percent and rent of primary residence, up 5.3 percent led the increase. To a lesser extent, higher prices for transportation; and education and communication, up 3.9 percent and 2.9 percent respectively, also contributed to the increase.

CPI-W

In September, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 277.667. The CPI-W increased 1.3 percent over two months and increased 3.7 percent over the year.

The November 2018 Consumer Price Index for Boston-Cambridge-Newton is scheduled to be released on Wednesday, December 12, 2018, at 8:30 a.m. (ET).

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 94 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 75 urban areas across the country from about 5,000 housing units and approximately 22,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.












































In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Boston-Cambridge-Newton, Mass.-N.H. Core Based Statistical Area covered in this release is comprised of Essex, Middlesex, Norfolk, Plymouth, Suffolk Counties in Massachusetts; Rockingham, Strafford Counties in New Hampshire.

Information from this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 1-800-877-8339.














TGS Table Preview

Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Boston-Cambridge-Newton, Ma.-N.H. (1982-84=100 unless otherwise noted) (not seasonally adjusted)

Expenditure category	Indexes				Percent change from		
	Historical data	Jul. 2018	Aug. 2018	Sep. 2018	Sep. 2017	Jul. 2018	Aug. 2018
All items		275.402		278.663	3.3	1.2	
All items (1967 = 100)		800.463		809.941			
Food and beverages		264.699		267.884	2.6	1.2	
Food		266.755		269.284	2.7	0.9	
Food at home		251.117	253.455	254.831	2.9	1.5	0.5
Cereal and bakery products		292.678		293.670		0.3	
Meats, poultry, fish, and eggs		255.168		250.017		-2.0	
Dairy and related products		277.616		284.950		2.6	
Fruits and vegetables		339.768		355.764		4.7	
Nonalcoholic beverages and beverage materials(1)		166.914		162.579		-2.6	
Other food at home		191.362		199.178		4.1	
Food away from home		294.080		294.499	2.3	0.1	
Alcoholic beverages		245.495		256.270	2.3	4.4	
Housing		283.437		287.056	4.4	1.3	
Shelter		336.539	338.169	341.399	4.6	1.4	1.0
Rent of primary residence(2)		348.095	351.853	353.083	5.3	1.4	0.3
Owners' equivalent rent of residences(2)(3)(4)		356.094	358.734	360.965	4.9	1.4	0.6
Owners' equivalent rent of primary residence(2)(3)(4)		356.094	358.734	360.965	4.9	1.4	0.6
Fuels and utilities		276.685		278.665	4.6	0.7	
Household energy		232.308	234.038	234.269	5.3	0.8	0.1
Energy services(2)		236.999	239.274	239.320	2.5	1.0	0.0
Electricity(2)		287.766	291.766	291.848	6.0	1.4	0.0
Utility (piped) gas service(2)		153.190	153.190	153.190	0.1	0.0	0.0
Household furnishings and operations		127.778		128.082	0.4	0.2	
Apparel		127.662		151.353	0.7	18.6	
Transportation		199.697		197.275	3.9	-1.2	
Private transportation		201.471		198.872	4.8	-1.3	
New and used motor vehicles(5)		106.101		103.074		-2.9	
New Vehicles(1)		205.905		203.769		-1.0	
Used cars and trucks(1)		321.191		309.233		-3.7	
Motor fuel		251.903	250.744	250.583	7.3	-0.5	-0.1
Gasoline (all types)		249.028	247.885	247.728	7.2	-0.5	-0.1
Gasoline, unleaded regular(6)		242.426	241.175	241.038	7.1	-0.6	-0.1
Gasoline, unleaded midgrade(6)(7)		259.457	260.432	260.175	8.0	0.3	-0.1
Gasoline, unleaded premium(6)		254.763	254.354	254.081	7.2	-0.3	-0.1
Motor vehicle insurance(1)							
Medical care		654.220		651.678	1.2	-0.4	
Recreation(5)		122.787		123.267	0.3	0.4	
Education and communication(5)		165.467		166.898	2.9	0.9	
Tuition, other fees, and child care(1)		1,328.680		1,348.743		1.5	
Other goods and services		485.200		492.088	2.2	1.4	
Commodity and service group							
Commodities		192.396		195.771	2.1	1.8	
Commodities less food and beverages		154.574		157.944	1.7	2.2	

Note: See footnotes at end of table.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Boston-Cambridge-Newton, Ma.-N.H. (1982-84=100 unless otherwise noted) (not seasonally adjusted) - Continued

Expenditure category	Indexes				Percent change from		
	Historical data	Jul. 2018	Aug. 2018	Sep. 2018	Sep. 2017	Jul. 2018	Aug. 2018
Nondurables less food and beverages...		203.372		211.679	3.0	4.1	
Durables		108.134		107.270	-0.4	-0.8	
Services.....		350.516		353.745	4.0	0.9	
Special aggregate indexes							
All items less shelter.....		253.854		256.436	2.5	1.0	
All items less medical care		260.817		264.213	3.5	1.3	
Commodities less food		158.275		161.916	1.7	2.3	
Nondurables		233.156		238.921	2.7	2.5	
Nondurables less food.....		205.474		213.920	2.9	4.1	
Services less rent of shelter(3)		383.731		384.591	2.9	0.2	
Services less medical care services.....		329.169		332.501	4.1	1.0	
Energy		239.136	239.599	239.658	6.2	0.2	0.0
All items less energy		282.736		286.290	3.1	1.3	
All items less food and energy		286.340		290.080	3.1	1.3	

Footnotes

(1) Indexes on a January 1978=100 base.

(2) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(3) Indexes on a November 1982=100 base.

(4) This index series underwent a change in composition in January 2010. The expenditure class now includes weight from secondary residences, and has been re-titled "Owners' equivalent rent of residences." The item stratum "Owners' equivalent rent of primary residence" excludes secondary residences.

(5) Indexes on a December 1997=100 base.

(6) Special index based on a substantially smaller sample.

(7) Indexes on a December 1993=100 base.

Note: Index applies to a month as a whole, not to any specific date.